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September-October 1957

SB-6

SUPPORT BULLETIN

FOR INFORMATION OF HEADQUARTERS
AND FIELD PERSONNEL

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This document is part of an integrated file. If separated from the file it must be subjected to individual systematic review.

PICK UP "P"
"PURPOSE"

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(Subhead - Smaller caps)

THE NATIONAL DEFENSE EXECUTIVE RESERVE

The Executive Reserve, when organized, will be available to supplement the top staff of the Organization in the event of emergency. It will be comprised primarily of consultants and former employees of the Organization. They will receive orientation and training from time to time and will participate in the testing of mobilization plans at the relocation site.

Executive Reservists must be available at any time to assume duties with the Organization. This means that they must be sufficiently interested and not have other civilian commitments or an overriding military obligation which would preclude such service. They must meet medical standards, be given security clearance, and be available for periodic orientation and emergency duty. It is not expected that this reserve will exceed fifty members.

The Executive Reservist will not be trained for a specific job but will be utilized in a general area corresponding to his experience background. They should be sufficiently flexible to be assigned to executive duties as required in time of emergency.

Each major component determines which key executive positions and areas could be staffed with Executive Reservists and nominates individuals for participation in the program. The Reservists might be needed as the result of the establishment of new functions or the expansion of existing functions in a wartime type of mobilization. The added responsibilities that will accrue to existing functions in an emergency situation must also be taken into consideration in determining the need for Executive Reservists.

Persons designated as Executive Reservists, while performing in such capacity, will not act or advise on any matter pending before any Government organization, but will be limited to receiving training for mobilization assignments. They are exempted from conflict of interest statutes while undergoing training as an Executive Reservist. Executive

Reservists do not receive pay for such service. They are, however, entitled to transportation and per diem in lieu of subsistence not to exceed fifteen dollars.

The size of the Executive Reserve Unit in each Government agency is the sole decision of that agency. As of 29 July 1957, various agencies had designated 695 Reservists and had an additional 216 Reservists in the process of designation.

DEPUTY DIRECTOR ADDRESSES RESERVISTS

The Tenth Year of the Organization Reserve Officers Training Program was launched 9 September at a joint meeting of reservists of all services. Principal feature of the meeting was an address by the Deputy Director who restated the Organization's interest in the joint training concept currently being followed by the Units and emphasized that this development and use of a common body of training doctrine will increase the flexibility of the Organization during peacetime as well as in wartime.

Developing the theme of increasing need for organizational flexibility and versatility, the Deputy Director pointed out that exploitation of opportunities for collection, production, and action in the face of a ceiling of people and resources, requires that we continually drop lesser priority programs for more important ones and be constantly alert to our training responsibilities.

"Organizationally, program-wise, and with our personnel, we must be able to maneuver and make adjustments, as the need dictates," he said. "Reserve training is contributing to your flexibility . . . It is one of the several ways in which you as busy people can do the necessary keeping-up, which the Organization expects of career employees."

The Deputy Director also told the group that the Director of Personnel has taken steps to insure that Organization personnel will receive credit in their civilian personnel records for their reserve training.

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Listed below are a number of Federal employee bills which were passed by the 85th Congress and became law. Also listed are several bills on which some action was taken.

BILLS WHICH BECAME LAW THIS YEAR

S. 601. Amends Public Law 854 to waive interest payment requirements for Federal workers who left Government prior to October 1, 1956, if they subsequently re-enter the Federal service and redeposit the retirement contributions they had withdrawn. Public Law 85-65.

H. R. 8992. Provides continued retirement and life insurance protection and re-employment rights to their Federal jobs for Government employees who transfer to the International Atomic Energy Agency. Public Law 85-177.

H. R. 6523. Extends for one year to July 1, 1958, compensation benefits for Federal employees or those working for Government contractors for injury or death resulting from a war-risk hazard. Extends for same period workmen's compensation benefits to Federal employees who suffer injury or death during a period of detention by an enemy force. Public Law 85-71.

The House also approved a ~~\$50,000~~ dollar resolution empowering its Administration Committee to make a study of the Hatch Act.

BILLS ON WHICH SOME ACTION WAS TAKEN AND ON WHICH FURTHER ACTION IS PENDING

S. 2127. Amends the Federal Employee Life Insurance Act by cutting from 2 percent to 1 percent a month the reduction rate on the policy of an insured who reaches age 65; reduction ceases when policy is reduced 50 percent of its original value instead of present 25 percent. Approved by Senate Civil Service Committee.

S. 1740. Authorizes Civil Service Commission to take over life insurance policies held by present and former Government workers in employee beneficial associations going out

of business. Approved by Senate and House Civil Service Committee.

~~H. R. 175~~. Sets forth a Code of Ethics and declares it is the sense of Congress that such code should be adhered to by all Government workers. Approved by House. Pending before Senate Civil Service Committee.

S. 385. Provides training of Federal employees in both non-Government and Federal facilities. Approved by Senate. Pending in House Civil Service Committee.

H. R. 4640. Authorizes a refund of voluntary contributions to any person who has made such payments to Civil Service Retirement Fund, provided he elects to take refund before he receives any annuity payments. Approved by House. Pending before Senate Civil Service Committee.

H. R. 8606. Amends Retirement Act by making five years' civilian service (which would embrace both employee and member service) the minimum required for survivor protection upon death of either an employee or a member of Congress with Retirement Act coverage. Approved by House. Pending before Senate Civil Service Committee.

S. 931. Reorganizes safety functions in Government to reduce on-the-job accidents among Federal workers. It creates a Federal safety division in the Labor Department to direct and coordinate safety educational programs conducted by Federal agencies and to encourage safety and accident prevention. Approved by Senate Government Operations Committee.

S. 1411. Gives agencies the discretion to retain employees in security cases on payroll pending a hearing of the charges. Approved by Senate. The House Civil Service Committee amended the bill to extend the Government's security program to employees in non-sensitive as well as sensitive jobs. Pending in House.

S. 72. Increases annuities of retired Government workers by 25 to 30 percent, with a ~~\$50~~ dollar-a-year maximum increase. Approved by Senate Civil Service Committee.

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H. R. 607. Increases annuities of retired Federal workers by 10 percent, but would not give this increase to those drawing ~~4,104~~ dollars a year or more in annuities or to those who now have outside jobs paying more than ~~1,200~~ dollars a year. Also extends annuities to widows of employees or retirees who died before April, 1948. Approved by House Civil Service Committee.

H. R. 8522. Consolidates in Section 9 of the Universal Military Training and Service Act, the provisions of law providing reemployment rights for ex-servicemen and reservists. Approved by House. Pending in Senate Armed Services Committee.

S. 25. Requires that future pay raise for Government per diem (blue collar) workers be made retroactive to 30 working days after start of wage survey. Approved by Senate. Pending in House Civil Service Committee.

S. 734. Increases the pay of classified employees by $7\frac{1}{2}$ percent. Approved by Senate Civil Service Committee.

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S. 27. Increases postal workers' pay by $7\frac{1}{2}$ percent, plus a two-year temporary ~~240~~ dollar increase. Approved by Senate Civil Service Committee.

also a substantial portion of the rest of the Government. Measurable savings to the Organization amount to be about 55,000 man-hours worth one hundred and fifty thousand dollars per year. This tangible saving will continue to accrue for many years to come and there will be many intangible benefits of general application to a large part of the entire Government as well.

The Chairman of the Suggestion Awards Committee welcomed the Civil Service Commissioners and other guests and briefly explained the Organization's Incentive Awards program, noting that the Suggestion Awards portion of the program deals with improved efficiency in operations and is administered by the Management Staff while the Honor Awards portion is concerned with superior performance and is administered by the Office of Personnel. The Chairman explained the nature of the improvements resulting from the suggestions of the four employees being honored and commended each employee for his contribution. He also commended the evaluators and supervisors for their thoughtful consideration of these suggestions.

The Director personally presented to each of the four employees a Letter of Commendation from the Chairman of the Suggestion Awards Committee, a Certificate of Appreciation signed by the Director and an award check. One award was for four thousand dollars; two were for two thousand dollars each and one was for five hundred dollars. The Director expressed his deep appreciation both personally and on behalf of the Organization to each employee receiving an award.

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The members of the Civil Service Commission were very interested in these particular suggestions, and the Civil Service Commission Chairman stressed the Government-wide importance of the Incentive Awards Program which produces many such excellent suggestions each year. He told the group that since its inception, this program has been responsible for savings to the Government of approximately ~~812~~ million dollars and that Government employees have received more than ~~10~~ ~~sixteen~~ million dollars in Incentive Awards.

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CAREER OPPORTUNITIES IN THE OFFICE OF TRAINING

An Organization regulation has now established the policy that members of the Organization will be made available for rotation assignments in the Office of Training as a part of the individual's career development. The primary objective of this policy is to improve continuously the professional quality of our operations. Assignments to the Office of Training are on a rotational basis; for a normal tour, without change in the individual's career service and without interfering with his normal advancement.

The advantages which returnees from overseas may find in accepting rotational assignments with OTR are as follows:

a. They broaden the knowledge of the individual through his participation as an instructor in current courses of instruction and seminars.

b. They give the individual an opportunity to assist in the development and reassessment of operational doctrine and principles as they are appropriate to established training programs.

c. They afford the individual an opportunity to pass on the benefits of his experience to those who are at the beginning or intermediate stages of their careers.

If you are interested in a rotational tour as an instructor with OTR, you should indicate your preference for such assignment on Form 202, Field Reassignment Questionnaire. This form will be processed by your Career Service Board, and you will be notified of the results of action taken through normal channels.

(Subhead - Smaller caps) THE CIVILIAN SPECIALIST RESERVE

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Approval has been obtained for the activation of an Organization Civilian Specialist Reserve Program on a pilot basis. The Program is limited to twenty-five Specialist Reservists but may be expanded if warranted, by the experience gained.

The Specialist Reserve will be composed of individuals having qualifications for which a lengthy training period is required, such as communication specialists, language translators and monitors, psychologists, and former employees with Organization training and experience such as former Junior Officer Trainees. It is planned that Specialist Reservists will be earmarked for the Organization through the Office of Defense Mobilization. Selected Reservists will report twice during their first year. These reporting periods may either be separate, in which case there will be a three-day period for medical, security, and personnel processing, and a two-week period for training; or one continuous period of seventeen days for both. Annually thereafter, the Specialist Reservist will report for a fifteen-day training period.

The Office of Personnel is responsible for the administration of this program. Spaces will be allotted and distributed by number, type, and grade to operating components of the Organization that request Reservists.

In addition to being qualified at the grade to be employed, the Reservist must meet the following requirements:

Be a citizen of our country.

Be not employed in any manner by the Federal Government.

Be not a member of the Reserve Corps of the Armed Services.

Be available for training periods of 15 days annually.

Be available for full-time employment with the Organization in the event of national emergency.

Reimbursement will be made to the Reservist at the rate of the GS grade commensurate with the appointee's qualifications for the position in which he will be utilized. Travel expenses, including per diem, will be paid in accordance with Organization regulations generally applicable to personnel in staff status, during the course of travel away from the Reservist's city of residence or usual place of work.

Specialist Reservists, while participating in training are accorded all the benefits provided

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by the Federal Employees Compensation Act. However, they are not entitled to leave, Civil Service Retirement or Government insurance while participating in the reserve program.

LANGUAGE STUDY IN FOREIGN COUNTRIES

The Organization has authorized intensive, full-time language training of qualified Organization personnel in foreign countries. This training will be conducted as part of the Language Development Program and in accordance with existing regulations governing the use of external training facilities. The number of persons who may be assigned for full-time language study in foreign countries is limited to one hundred at any given time.

The purpose and objectives of this element of the Language Development Program are three-fold: to emphasize top-management's interest in releasing personnel for needed language training; to enable selected personnel to acquire as rapidly as possible the comprehensive language proficiency they need to carry out their projected duty assignments; and to provide selected candidates with first-hand living experience in the country in which they will be working or about which they will be concerned in connection with their official duties.

The aim of language study in foreign countries is the development of advanced comprehensive proficiency and fluency in Foreign languages. Consequently, only those persons will be selected whose aptitude, motivation and personal situations indicate the greatest likelihood that they will derive maximum benefit from such training. Operating officials should nominate candidates who have completed all other training prerequisite to field assignments and who, upon completion of language training, can be assigned to duty overseas or at Headquarters in positions which require active use of the language. Priority in the nomination of candidates will be given, where practicable, to those persons who already have sufficient command of the language to under-

take its study abroad without extensive preparations at Headquarters. With some exceptions, all staff personnel who meet these criteria may be nominated as candidates for language study in foreign countries.

The nomination of candidates for language training in foreign countries may originate with the individual, his supervisor, or the head of his career service. All nominations will be made to the Director of Training through normal channels and will carry the endorsement of the head of the Career Service concerned. Final selection of candidates will be made after language aptitude test results and other qualifications have been reviewed in accordance with established qualifications review procedures.

The training program for each person who is selected will be approved by the Office of Training and will take into account the individual's prior knowledge of the language, if any, and the amount of basic training he must be given before the overseas phase of his language training can be scheduled.

In general, for those without prior knowledge of the language, the basic training phase will consist of a period of six to twelve months full-time language study at a Headquarters' facility. Those who achieve satisfactory results during the basic training phase will be entered into overseas training programs as they become qualified. The duration of the overseas training phase will vary in accordance with the extent of prior knowledge of the language, the difficulty of the language, the time-schedule in the individual's approved career plan, and the use which his sponsoring component intends to make of him upon completion of his language training. This overseas training phase will approximate four months for Romance and Germanic Languages, two years for Chinese, Japanese, and Korean and one year for most other languages.

Candidates will be eligible for Language Development Awards if they are qualified under the provisions of [REDACTED] 1A [REDACTED] in the same series. For award purposes, language training under this program will be regarded as "directed" training.

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A sage old fire chief at a large Navy base was questioned about fire regulations. "What about reporting fire hazards?" he was asked. "If you mean in writing, heck no!" he replied, and then added, "By the time I got the written word this whole place might be burned to the ground."

The chief was practicing good reports management — timely reporting of essential information in a simple and direct manner.

Most of our requirements for administrative reports cannot be stated as simply as the fire chief's, nor complied with as easily. Widespread activity requiring increasing administrative control, a compartmented organizational structure, and ever changing conditions tend to complicate reporting systems. However, Organization personnel can do much to improve our administrative reporting practices simply by applying the following principles:

Establish the basic need for a report — A report is justified if: (1) the information required is appropriate to the functions of the using office, and preparing offices are the best sources of data; (2) the report serves a purpose which could not be accomplished some other way, such as through direct supervision or inspection; (3) the need for the report does not stem from a problem which should be corrected rather than reported; or (4) the information reported is actively used as a basis for actions, plans, or decisions, and these uses fully justify the cost of the report.

Select a reporting frequency which is consistent with the need for information. Programs on which information is reported often decelerate rapidly. Unless changed, the reporting frequency may soon become unrealistic, or the opposite may occur, i.e., the pace of a program is stepped up, or situations begin to occur so frequently that they should be summarized rather than reported separately. Check a series of reports. What frequency is needed now; what is the trend?

Specify a reporting date which, if possible, is convenient to the reporting office. Avoid conventional peakload reporting dates such as end-of-month, end-of-quarter and end-of-year. Allow sufficient time for adequate preparation, without overtime. Base due dates on working days, not calendar days, whenever possible.

Insure that the flow of information follows the pattern of organization and command, and that information is summarized at various points where decisions are made or where responsibility is placed. Good administration includes delegating authority to make decisions at levels where actual operations are carried out; good reporting stops detailed information at those same levels.

Develop a report format which: (1) is simple in design and standard for each preparing office; (2) provides for transmitting the report without covering correspondence; and (3) is arranged so that the preparing office can compile the data from records it normally keeps, and so that the receiver can locate information quickly and apply it to his needs.

Be sure that the report directive you issue is clear and complete — preferably in writing. Good directives mean good reporting.

Be sure that periodic and critical reviews of the need for continuing reports are made.

Reports management can mean fewer and better administrative reports at lower cost, thus releasing more time for the Organization to accomplish its mission. Consult your Records Officer if you have an administrative reporting problem. Further guidance is available from the Records Management Staff.

MERIT PAY RAISE PLAN

The President's Sub-Cabinet Committee studying Federal salary systems has been asked to consider at least one highly significant change in the Classification Act, which controls the grades and pay of the Government's classified employees.

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The proposal is that the Act be modified to give agencies authority to grant "merit raises" to outstanding employees. There is no such authority now.

Employees can advance from grade to grade as vacancies and their particular skills permit. Those who don't advance get small periodic step-increases at 12 or 18-month intervals. And those who remain long years in the same grade can qualify, eventually, for as many as three longevity step-increases, each equivalent to one periodic step-increase. These last, of course, are seniority increases.

Nowhere in the law is there provision for merit increases, other than grade-to-grade promotion, for employees who perform outstandingly.

Proponents of the new proposal insist it would give vastly increased "flexibility" to the classified salary system; provide greater incentive to individuals; and bring Government pay practice more nearly into line with industry's.

It frequently happens, they say, that the "man makes the job" — while the rigidities of the Classification Act deny him the proper compensation for the work he actually performs.

A "merit raise" system, it's said, might be written into the Classification Act in any one of several ways. Two possible ways are:

1. By reducing the number of ~~Classification~~ grades, which now total 18, and providing bigger salary ranges for the remaining grades. At the same time, the upper steps of each grade would be reserved for "merit raises."

2. By retaining the present 18 grades, but building a series of "merit" steps on top of them. This would increase salary overlap amongst grades — something classification experts don't like.

The proposal for fewer ~~classified~~ grades has come repeatedly in recent years — most recently in the 7.5 percent pay raise bill approved by the Senate Post Office and Civil Service Committee before Congress adjourned.

That measure would eliminate Grades GS-1, 6, 8, and 10, substituting a 14-grade system for the present 18.

Meantime, the Sub-Cabinet Salary Committee continues to get suggestions for various systems which would have Classified pay rates fluctuate from area to area.

CREDIT UNION PRAISED FOR PROMPT ACTION

Quoted below is a letter of appreciation sent to the Credit Union by one of the operating divisions:

"1. On the morning of 5 September, the Division received a priority cable from the field that an employee required a loan by 6 September. An inquiry was made of the Credit Union who advised that the formal loan application, dated 13 August, had not been received until 4 September.

"2. Because of the circumstances involved in the case, the Division requested the Credit Union to expedite processing of the loan. At 12 o'clock, two and a half hours after receipt of the request, the Credit Union notified the Division that the loan had been approved and that the money had been deposited with the Finance Division.

"3. This is only one example of the cooperation received by this Division and its field stations from the Credit Union. On numerous occasions, the Division has received service far beyond that which could normally be expected. In addition, the manner in which the Credit Union has cooperated with the field has been of inestimable value in maintaining the morale of the employees who know that, if an emergency arises, the Credit Union will provide prompt assistance.

"4. This Division wishes to express its sincere appreciation to the personnel of the Credit Union for their outstanding cooperation and assistance."

The facilities of the Credit Union are available to all employees. The only requirement is the investment of five dollars for one share (deposit) plus a twenty-five cent fee.

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**CLAIMS FOR HOSPITALIZATION
OR SURGERY**

Do you want your claim for hospitalization or surgery to be paid promptly? Claimants in the field should be sure it includes all the necessary information, as outlined in the attachment to Book Dispatch No. 117 of 25 September 1956. Claimants at Headquarters, instead of consulting the Dispatch, receive personal assistance in completing the form.

If you are an overt employee, you should always carry the white GEHA identification card. In an emergency, it will admit you to a hospital, after which you can arrange through your office to have the admission forms mailed or brought to you. Where there is no emergency, it is best to pick up the forms a few days ahead and take them with you to the hospital.

Using the white card and admission forms, you need pay only the part of the bill not covered by the hospitalization contract. The hospital collects the rest from GEHA. Make sure that any approach by the hospital to GEHA is made through the address and telephone number on the back of the card.

Administrative personnel receiving claims from the Field should see that they are complete before forwarding them to GEHA.

**OFF-DUTY LANGUAGE TRAINING
PROGRAM**

On their return to Headquarters, overseas personnel may be interested in participating in the Voluntary Language Training Program

that has been designed to qualify students for the Organization Language Development Awards for comprehensive proficiency at the elementary and intermediate levels.

The courses, each sixteen weeks long, begin three time a year: the first week in January, May, and in September. Five hours of classroom instruction, either before or after duty hours, and seven hours of laboratory work and other outside study are required of the students each week. Tapes and textbooks are supplied by the Office of Training. Instructors have been recruited almost entirely from among staff personnel of the Organization who are compensated at the standard Government overtime rate.

Classes are limited to a maximum of ten students and a minimum of five students. Regular daytime language standards of achievement and methods of instruction are followed as closely as possible. Forty courses are presently in progress in eleven different languages: Chinese, Finnish, French, German, Italian, Japanese, Persian, Polish, Portuguese, Russian, and Spanish. Courses are currently being offered at basic and intermediate levels. Courses will be offered in languages listed in [redacted] provided the minimum enrollment of five students is reached.

Overseas returnees interested in taking advantage of this opportunity for language training, at no cost to themselves, should submit their requests for voluntary language training during non-duty hours through the appropriate Training Officer.

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**RECORD PROMPTLY CHANGES IN
ADDRESS OR ASSIGNMENT**

A master locator card file is maintained at Headquarters on all staff employees in the Headquarters area. The purpose of this file is to provide the home address, residence telephone number, organization component and office location to which assigned. A change in residence or change in assignment should

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25X1A be reported promptly so that the master file may be brought up to date. (Se [REDACTED])

25X1A The maintenance of this locator file has taken on additional significance this past year as it also is used as the source for home addresses for the W-2's, Withholding Tax Statement which serves in lieu of a D-2 for Dis-

[REDACTED]

It is urged that more attention be given by employees to correcting the locator file when a change takes place. A recent analysis of one quarterly period indicated that 37% of all changes reported for the period were received during the last 20 days of the period, which was after the quarterly summary check lists had been distributed for verification. Of these reported changes, 30% were received too late to process for that period.

Employees should report promptly all changes in address in order to keep the personnel locator file up to date, and so that 25X1A W-2's will reflect the current and correct address.

should
so that [REDACTED] may be corrected. Supervisors and Administrative Officers can help tremendously, when they learn that an employee has moved, if they would have the individual promptly complete the personnel information card to show the new address. Cards are on file in each component administrative office for verification if an employee wishes to see whether the record of his address is current. The cooperation of all is requested to maintain the value of these records by keeping them up to date.

ORGANIZATION CIVILIAN RESERVE PROGRAMS

Programs to establish a unit of the National Defense Executive Reserve and a Civilian Specialist Reserve in the Organization have been approved as a part of our manpower mobilization planning. The Executive Reserve, which

is a Government-wide program, was established to provide for Federal employment of executives during emergency periods. The Director of the Office of Defense Mobilization, who is charged with the responsibility for administering the program, has authorized the establishment of a unit of the Executive Reserve in our Organization. The Civilian Specialist Reserve, a program within our Organization, provides for a pool of trained civilian specialists who would be available to us in the event of war or general emergency.

SHIPMENT OF PRIVATELY OWNED AUTOMOBILES 25X1C

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25X1C
This change should reduce delays in the receipt of privately owned automobiles at stations and bases.

CORRECTION

The last issue of the Support Bulletin carried an article entitled, "Language Training in the Field." Paragraph 4 of this article stated, "Volunteer language students are reimbursed by the Organization to a maximum of two hundred and fifty dollars a year." This previously was the case, as expressed in

[REDACTED] but was rescinded by [REDACTED] KIA present policy as expressed [REDACTED] states, "Chiefs of Station may approve expenditures to cover the cost of tuition, and the cost of providing facilities and equipment for foreign language training when such cases are, in their opinion, reasonable and warranted." We regret this error.

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CIVIL SERVICE RETIREMENT

(This is the last of a series of articles on the liberalized Civil Service Retirement (CSR) Act.)

RECOMMENDATION DUE ON CSR-OASI SWITCH

In approving the new CSR law, the House Civil Service Committee directed CSC to try to work out a plan whereby those who leave the Government with less than five years of service could have it credited toward Social Security's Old Age and Survivors Insurance. The agencies concerned are studying the proposal and will make recommendations on it to Congress next year.

That is the only step under consideration toward coordination of the two systems.

DUAL BENEFITS: The new CSR law carries no prohibition, as once was proposed, on dual retirement benefit payments to Federal employees. So it is still possible for you to retire under CSR, take a private job for a few years and then also retire under OASI.

Thousands are doing it, and tens of thousands of active Federal employees have OASI credits which they earned prior to Government employment or on after-hours jobs. It is entirely legal for a retired Federal employee to be paid CSR benefits while he is working in a private job to qualify for OASI payments.

Women Government workers are keenly interested in the possibility of dual CSR and OASI benefits inasmuch as women can draw OASI annuities at age 62.

A scattering of retirees are paid triple benefits — veterans' pensions in addition to CSR and OASI annuities.

REEMPLOYMENT MADE EASIER FOR RETIREES

A retiree who has been, or will be, reemployed in the Government stands to benefit from the new law.

The requirement for reemployment is eased to make the retiree eligible for any job for which he is qualified, to serve "at the will of the appointing officer."

A retiree's reemployment will have this effect on his annuity:

If his retirement was based on an involuntary separation (except for age retirement) not due to any fault of his own, or if he were retired for disability and later found to be recovered or restored to earning capacity, his annuity will be either discontinued or suspended.

If his reemployment is subject to the CSR Act, his annuity will be discontinued and his future retirement rights will be determined under the law in effect at the time he is separated from the reemployment.

If his reemployment is not subject to the CSR Act, his annuity payments will be suspended and resumed at the old rate upon termination of the reemployment.

If his retirement was based on a voluntary separation or an involuntary separation for cause, or if he retired for age, or if he was a disability annuitant age 60 or over at the time of reemployment, his annuity will continue but his salary during the reemployment will be reduced by the amount of annuity he receives. If the reemployment continues for at least one year of full-time service, he will be entitled, after separation from the reemployment, to a supplemental annuity based on the reemployed service.

WHERE MONEY COMES FROM FOR THE CSR FUND

Your contributions to the CSR fund are held in Government securities. Contributions to the fund are from four sources: employee deductions, congressional appropriations, contributions from all agencies, and the interest earned on these funds.

Employee deductions were 2½ percent when the original CSR Act became effective in 1920. The rate rose to 3½ percent in July, 1926; to

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5 percent in July, 1942; to 6 percent in July, 1948, and to 6½ percent last October 1.

The deduction is made on your basic salary only and not on such "extras" as allowances and overtime.

The latest audit showed the CSR fund to have a balance of about 7.2 billion dollars. A total of 4.8 billion dollars has been paid out in employee and survivor benefits; employees have paid 5.7 billion dollars into the fund, and 6.3 billion dollars has been put in by the Government in the form of appropriations and interest on investments.

GENERAL PROVISIONS OF THE NEW CSR ACT

COVERAGE: CSC has the authority to decide which temporary and intermittent jobs should be covered by its retirement system. As a general rule, all full-time and regular Federal employees are covered either by CSR or some other Government retirement system.

BREAK IN SERVICE: If you have a break in service up to three days, it will no longer count against your service credit for CSR.

REJECT: You can waive any part of the CSR annuity you have earned. This permits veterans to refuse some part of their CSR payments in order to continue to receive their veteran's pensions, which could be cut off after incomes reach certain levels.

LEAVE WITHOUT PAY: Credit is given for leave without pay up to six months in any calendar year. There is no legal limit on the amount of such leave that can be allowed, and

some former employees, now in other jobs, have been on leave for 5, 10 and 15 years.

SUBSTITUTE POSTAL EMPLOYEES are allowed full credit toward CSR for all service since their original appointments, provided they are subject to call for duty. They do not need to work full time to get full-time credit.

TRANSFER: The new law permits a Federal employee to transfer from another Federal retirement system to CSR, but now he must turn over to CSR the refund he receives from the system he left in order to get CSR credit for salary and service. Besides CSR, our Government operates retirement systems for the Foreign Service, TVA, and other special employee groups.

BORROW: No; you can't borrow money from the CSR fund.

A **RETIREE** can work for a private firm engaged in Government contract operations without losing his CS annuity.

REPEALED: The annuity increase law which became effective Nov. 1, 1955, was continued in effect for employees separated before October 1, 1956. This increase cannot be paid to an employee separated after the new law became effective.

INTEREST: It will not be paid after December 31, 1956 on the accounts of those who have five or more years of service. Three percent interest, compounded annually, will be paid only to those employees who leave the service with more than one but less than five years of service. The elimination of interest will have no bearing on the amount of any annuity payable under the act.

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